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11-27-2002

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ATTY. DOCKET NO. 103185/41987

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

APPLICANT : ATICO INTERNATIONAL USA INC.
MARK : ALCO
SERIAL NO. : 76/251,522
FILING DATE : May 4, 2001

Commissioner for Trademarks
BOX TTAB NO FEE
2900 Crystal Drive
Arlington, VA 22202-3513

**APPLICANT'S BRIEF IN SUPPORT OF
RECONSIDERATION PURSUANT TO 37 C.F.R. 2.144**

Applicant Atico International USA Inc. (“Atico”), respectfully submits this memorandum in support of its motion for reconsideration, pursuant to 37 C.F.R. § 2.144 of the Trademark Trial and Appeal Board’s affirmance¹ of the Examiner’s Refusal to register the proposed mark ALCO, pursuant to 15 U.S.C. § 1052(d), because of possible confusion between ALCO and the marks shown in U.S. Registration Nos. 0865520 and 1644718.²

I. BACKGROUND RELEVANT TO THE INSTANT MOTION

On May 4, 2001 Atico filed an Intent-to-Use application for the proposed mark ALCO, to be used in connection with goods in International Classes 002, 008, 009, 016, 018, 021, 025 and 027.

A. The First Office Action

The Examining Attorney issued a first Office Action dated September 20, 2001 (the “First Office Action”).³ In the First Office Action, the Examining Attorney refused registration under 15 U.S.C. § 1052(d) “because the applicant’s mark, when used on or in connection with the identified goods, so closely resembles the marks in U.S. Registration Nos. 0865520 and 1644718 as to be likely to cause confusion, or to cause mistake, or to deceive.” *See* Ex. 3, at 1.

Registration No. 0865520, covers the formative **ALCO**, for use with retail services in connection with variety and discount stores in International Class 35. Registration No. 1644718, covers the formative **ALCO YES**, in connection with discount department store services in

1 By Opinion dated October 29, 2002. *See* Exhibit 1, attached hereto.

2 Final Office Action, attached as Exhibit 2, hereto.

3 Initial Office Action, attached as Exhibit 3, attached.

International Class 42. Both marks are owned by Duckwall-ALCO Stores, Inc., of Abilene, Kansas. Subsequent to Atico's appeal, the **ALCO YES** mark was abandoned.

B. Atico's Response to the First Office Action

Atico filed a response to the First Office Action on or about January 18, 2002.⁴ Atico urged that there was no evidence proffered by the Examining Attorney that the registrant, Duckwall-ALCO Stores, Inc., (hereinafter, the "registrant") used the formative "ALCO" in connection with any goods, let alone the goods sought in connection with Atico's registration.

Atico also cited four expressly abandoned trademarks which were also for the mark "ALCO." The identified goods of these abandoned marks were highly similar or identical to the identified goods of Atico's ALCO mark. Notwithstanding these registrations, however, the Trademark Office allowed Duckwall-ALCO Stores, Inc. to register the ALCO marks cited against Atico over the then-current above ALCO marks. As such, the Trademark Office previously determined that the identified services of the cited registered marks ***did not*** give rise to a likelihood of confusion with the identified goods of Atico's proposed mark, notwithstanding the high similarity or identity of the proposed marks.

Finally, Atico asserted that the Examining Attorney's used an improper standard of review. Simply put, 15 U.S.C. § 1052 requires that the Examining Attorney's standard of review be limited to a likelihood of confusion. In the First Office Action, the Examining Attorney's rejection was based on the allegation that "consumers may assume that the goods and services originate from the same source."

4 Attached as Exhibit 4 hereto.

C. The Final Office Action

The Examining Attorney issued a Final Office Action on April 22, 2002. In maintaining his refusal to register the proposed mark in connection with the intended goods, the Examining Attorney rejected Atico's arguments, finding that "because the mark for which registration is sought so resembles the marks shown in U.S. Registration Nos. 0865520 and 1644718 as to be likely, when used on the identified goods, to cause confusion, or to cause mistake, or to deceive."

The Examining Attorney further stated that he was:

Enclos[ing] multiple third party registrations showing one mark used to identify retail store services and goods similar to the applicant's. These third party registrations show consumers are accustomed to seeing retail stores sell various goods with their own housemark.

II. The Appeal Briefs

In presenting its appeal, Atico pointed out that the Examining Attorney proffered nothing sufficient to sustain his refusal to register the proposed mark under § 1052(d). In short, other than citation to marks registered by third parties, there was no probative evidence at all. Further, Atico contended that the Examining Attorney's reliance on the registrations of third parties was not probative on any issue.

The Examining Attorney's sole argument in Opposing Atico's Appeal was that the third party registrations for different marks were probative on the issue of the purchasing public's perception for stores to sell goods manufactured by others or by the store itself.

Atico's Reply Memorandum in support of the appeal once again explained that it was improper to rely on third party registrations for different marks.

III. The Decision by the T.T.A.B.

In rendering its decision, the T.T.A.B. made the following findings:

The Examining Attorney contends that confusion is likely because the marks are identical and the goods and services are related to the extent that applicant's goods may be sold in registrant's retail variety and discount stores. *In support of this contention, the Examining Attorney submitted copies of third-party registrations for marks identifying both retail store services and various goods including many of those identified in the application.*

Applicant contends there is no likelihood of confusion, arguing that four third-party registrations, which have been subsequently expressly abandoned, for the mark ALCO for goods encompassed by applicant's identified goods, did not prevent the registration of the cited mark ...

(emphasis added).

However, the T.T.A.B. rejected the marks proffered by Atico, explicitly stating that “Each case must be decided on its facts. Therefore, we can draw no conclusions from applicant's allegations regarding the state of the register or examination in another case.” Thus, the T.T.A.B. expressly refused to review evidence of prior registrations, proffered by Atico. However, these registrations were specifically probative on the issue of whether there was a likelihood of confusion. To wit, when the cited registration issued, there were four separate registrations that covered the goods that Atico sought to cover in its registration. Atico urged that the fact that the cited registration was allowed to issued notwithstanding the prior marks demonstrated that the goods recited in those registrations could *not* be close to the services recited in the cited registration.

After stating that it would not consider the registrations proffered by Atico, the T.T.A.B. affirmed the Examining Attorney's rejection, stating:

There is nothing in the language of this recitation that precludes registrant from using its service mark also on goods available through its retail services. Further, the question is not whether registrant can or does use its mark in such a manner; rather, the question is whether there is a sufficient relationship between applicant's goods and registrant's services that consumers exposed to applicant's mark on its goods would believe those goods emanate from registrant or a related source. In this regard, applicant does not seem to dispute that its products may be sold at retail variety and discount stores; and the Examining Attorney's evidence of third-party registrations with goods and services encompassing those in this case suggests that consumers are accustomed to seeing such goods and services emanate from the same source or related sources.

IV. Request for Reconsideration

In rejecting Atico's argument that the existing registrations demonstrated that the goods sought to be covered by Atico's mark were not covered by the cited registration, the T.T.A.B. stated that each case must be decided on its own facts. Yet, the only "evidence" relied upon by either the Examining Attorney and the T.T.A.B. in rejecting Atico's application was registrations by third parties. Clearly, this is an inconsistency that does substantial injustice.

It is respectfully submitted that the T.T.A.B. made two errors of law: (1) by failing to review the registrations cited by Atico; and (2) by relying on the registrations cited by the Examiner. These are discussed in order.

A. The Failure to Consider the Other Registrations for ALCO

In *In re E.I. DuPont DeNemours & Co.*, the Court of Customs and Patent Appeals delineated the mandatory factors to consider, when relevant evidence is of record, "[i]n testing

for likelihood of confusion under Sec. 2(d)” of the Lanham Act. 476 F.2d 1357, 1361, 177 USPQ 563, 567 (CCPA 1973). A determination of likelihood of confusion is the ultimate legal conclusion based on findings of fact for each pertinent *DuPont* factor considered together. *Giant Food, Inc. v. Nation's Foodservice, Inc.*, 710 F.2d 1565, 1569, 218 USPQ 390, 394 (Fed. Cir. 1983).

Under *DuPont*, “[t]he number and nature of similar marks in use on similar goods” is a factor that must be considered in determining likelihood of confusion. 476 F.2d at 1361, 177 USPQ at 567 (factor 6). The undisputed record evidence demonstrates that there were third party registrations covering goods identical to Atico’s proposed goods when the cited registration issued. Though the fact that the prior registrations are now abandoned admittedly deprives them of full weight, they nevertheless are relevant when evaluating likelihood of confusion.

It is simply inexplicable that the prior registrations were insufficient to preclude the issuance of the cited registration, while the cited registration is sufficient to preclude Atico’s application for goods identical to those claimed in the prior registrations.

The T.T.A.B. should have considered these applications, even if the weight afforded thereto was diminished, in reviewing Atico’s appeal.

B. The Reliance on Third Party Registrations

Other than the third party registrations, there was simply no evidence or reason to believe that there was a likelihood of confusion. Simply put, the fact that an ALCO store may sell variety and discount goods does not establish that it sells those goods under an ALCO brand, or that a likely purchaser, seeing variety and discount goods under the ALCO mark sold at a different retail outlet would likely believe it to derive from a common source with the ALCO store.

The evidence relied upon is simply insufficient as a matter of law. To wit, third party registrations can not be evidence of how a particular mark is used in the marketplace. In *AMF Inc. v. American Leisure Prods., Inc.*, 474 F.2d 1403, 1406, 177 USPQ 268, 269 (CCPA 1973), in the context of determining the strength of a particular formative when used with a class of goods, the Court of Customs and Patent Appeals stated:

It appears that the board relied heavily upon the existence of third-party trademark registrations in reaching its decision. We have frequently said that little weight is to be given such registrations in evaluating whether there is likelihood of confusion. *The existence of these registrations is not evidence of what happens in the market place* or that customers are familiar with them nor should the existence on the register of confusingly similar marks aid an applicant to register another likely to cause confusion, mistake or to deceive.

(emphasis added). In *In re Melville Corp.*, 18 USPQ2d 1386, 1388 (TTAB 1991) the T.T.A.B. concurred, stating that “[W]e have on numerous occasions stated the position that [third party] registrations are of little probative value in determining likelihood of confusion in the absence of evidence to establish their use in the market-place.

The problem discussed in these matters are particularly relevant here. Quite simply, the Examining Attorney has not cited these registrations to demonstrate confusion, but, instead, has proffered these third party registrations solely to demonstrate marketplace activity. Indeed, the Examining Attorney cites these registrations in support of his statement that the same “show[s] consumers are accustomed to seeing retail stores sell various goods with their own housemark.”

However, based on the clear statements by the T.T.A.B. and C.C.P.A., the registrations themselves are valueless for demonstrating marketplace activity. No evidence regarding actual

marketplace activity was ever proffered by the Examining Attorney.

C. Conclusion on Grounds for Reconsideration

The Examining Attorney proffered no evidence of any company including the owner of the cited registrations, that sell any products under an identical or highly similar brand name. The Examining Attorney's proffered "evidence" thus fails to establish a prima facie case of likelihood of confusion as to source.

In affirming the rejection by the Examining Attorney, the T.T.A.B. ignored third party registrations proffered by Atico, while considering third party registrations proffered by the Examining Attorney. This was improper. The controlling authority is unequivocal that third party registrations are indicative of use, but are weak evidence in light of the fact that they do not demonstrate marketplace activity. Yet, Atico was deprived of having the T.T.A.B. consider third party registrations – evidence which, albeit weak, was relevant and probative. On the other hand, the Examining Attorney, and the T.T.A.B., considered third party registrations solely for an explanation of marketplace activity – the exact subject matter that deprives such evidence of its weight.

In short, all authority indicates that the registrations cited by the Examining Attorney should not have been considered by the Examining Attorney or the T.T.A.B., whereas the registrations cited by Atico should have been considered by each.

Accordingly, Atico respectfully requests reconsideration of the T.T.A.B.'s affirmance of the Examining Attorney's rejection.

IV. CONCLUSION

The T.T.A.B.'s affirmance of the Examining Attorney's refusal to register Atico's proposed mark ALCO can not be supported by the "evidence" proffered, and is countered by the prior registered ALCO marks which should have been considered. Accordingly, based on the foregoing, the T.T.A.B.'s October 29, 2002 decision should be reconsidered and withdrawn, and Atico's application should be granted.

Respectfully submitted,
Atico International USA, Inc.



Date: November 27, 2002

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November 27, 2002



11-27-2002

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Re: Applicant: Atico International USA, Inc.
Mark: ALCO
Serial No: 76/251,522
Filing Date: May 4, 2001
Our Ref: 103185-41987

Dear Sir:

In connection with the above-identified Mark, enclosed please find:

1. Applicant's Brief in Support of Reconsideration Pursuant to 37 C.F.R. 2.144 w/exhibits; (3 copies) and
2. Acknowledgment Postcard.

The Commissioner is hereby authorized to charge any additional filing fees to account no. 03-3839.

Best regards,

Oren J. Warshavsky

OJW/lm

Enclosure

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